

[7th March, 2001]

RAJYA SABHA

**Losses of SEBs**

1255. DR. MANMOHAN SINGH: Will the Minister of POWER be pleased to state:

(a) the State-wise commercial losses of State Electricity Boards in 1999-2000;

(b) the payments due but not made by State Electricity Boards of Central Public Sector enterprises such as NTPC, Coal India and Railways; and

(c) the measures taken to improve the financial position of State Electricity Boards and progress thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI METHA): (a) The commercial losses of State Electricity Boards during 1999-2000 are given at Statement-I (See below).

(b) The outstanding dues of the State Electricity Boards to NTPC, Coal India and Railways is given in Statement II, III and IV respectively.

(c) The Government of India have enacted the Electricity Regulatory Commission Act, 1998 with a view to rationalize tariff have transparent policies towards subsidies etc. The Central Electricity Regulatory Commission has been constituted and has started functioning. This Act enables the State Governments to set up State Electricity Regulatory Commissions (SERCs). So far, 15 States have notified constitution of SERCs. SERCs of Orissa, Andhra Pradesh, Maharashtra, U.P., Gujarat, Karnataka and Haryana have already issued tariff orders.

In the Conference of Chief Ministers / Power Ministers held on 3.3.2001, it was resolved that State Electricity Regulatory Commissions may be made functional in the next six months and tariff filings made and subsidies may be given only to the extent of State Government's capacity to pay the subsidies explicitly through budget provisions.

The Conference recognized that the real problem of management and the challenge of reforms lies in the distribution sector and resolve that:

(i) Energy audit at all 11 KV feeders must be made effective within the

next 6 months and accountability fixed at the local level.

- (ii) An effective Management Information System for this purpose needs to be made operational.
- (iii) On the basis of the above, an effective programme are needs to be launched for identifying and eliminating power thefts in the next 2 years.
- (iv) Full metering of all consumers had been targeted for completion by December 2001. Special efforts should be made to complete the programme.
- (v) The quality of power supplied especially in rural areas needs to be improved through the APDP and other programmes quickly.
- (vi) Commercial viability has to be achieved in distribution in 2-3 years through any or all of the following.
  - ❑ Creating Profit centres with full accountability.
  - ❑ Handing over of local distribution to Panchayats/Local Bodies/ Franchisees/Users Associations, wherever necessary.
  - ❑ Privatisation of distribution
  - ❑ Or any other means.
- (vii) Efforts by States, if necessary, inviting private investment in the power sector need to be focused toward the distribution sector.
- (viii) Current operations on distribution would need to reach break even in two years and achieving positive returns thereafter.

The Government of India is also signing MOUs on reforms with States whereby the States commit to achieve definite milestones to reduce T&D losses, eliminate theft, improved billing and collection, setting up of functional SERCs, etc., The Government of India offers financial support through the Accelerated Power Development Programme (APDP) and additional allocation of power from unallocated share of central pool etc. So far, the States of Karnataka, U.P., M.P., Haryana and Gujarat have signed MOUs.

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**Statement -I**

*Commercial losses of State Electricity Boards*

(Without Subsidy)

Commercial Profit/Loss

(Rs. in crores)

| SEBs             | 1999-2000(AP) |
|------------------|---------------|
| Andhra Pradesh   | -2703         |
| Assam            | -336          |
| Bihar            | -548          |
| Delhi (DVB)      | -794          |
| Gujarat          | -1498         |
| Haryana          | -502          |
| Himachal Pradesh | -4            |
| Jammu & Kashmir  | -347          |
| Karnataka        | -365          |
| Kerala           | -451          |
| Madhya Pradesh   | -1966         |
| Maharashtra      | 214           |
| Meghalaya        | 204           |
| Orissa           | -186          |
| Punjab           | -1223         |
| Rajasthan        | -882          |
| Tamil Nadu       | -709          |
| Uttar Pradesh    | -2142         |
| West Bengal      | -675          |
| <b>TOTAL:</b>    | <b>-14913</b> |

**Statement-II***Outstanding dues of the State Electricity Boards to Central PSUs*

(Rs. in crores)

(As on 31.1.2001)

| S.No. | Name of SEBs      | NTPC    | NHPC   | PGCIL  |
|-------|-------------------|---------|--------|--------|
| 1.    | Andhra Pradesh    | 436.71  | 0.0    | 19.23  |
| 2.    | Arunachal Pradesh | 0.0     | 2.62   | 9.02   |
| 3.    | Assam             | 51.90   | 0.22   | 190.10 |
| 4.    | Bihar             | 2991.59 | 35.83  | 199.64 |
| 5.    | Gujarat           | 495.07  | 0.0    | 43.52  |
| 6.    | HVPNL (HSEB)      | 533.90  | 972.68 | 18.69  |
| 7.    | Himachal Pradesh  | 33.93   | 70.61  | 1.04   |
| 8.    | Jammu & Kashmir   | 480.95  | 822.62 | 159.87 |
| 9.    | Karnataka         | 261.60  | 0.0    | 41.51  |
| 10.   | Kerala            | 414.33  | 0.0    | 14.59  |
| 11.   | Madhya Pradesh    | 1169.23 | 0.0    | 58.09  |
| 12.   | Maharashtra       | 628.90  | 0.0    | 5.49   |
| 13.   | Meghalaya         | 0.0     | 2.22   | 5.91   |
| 14.   | Orissa (GRIDCO)   | 922.49  | 18.48  | 31.42  |
| 15.   | Punjab            | 101.79  | 310.79 | 7.48   |
| 16.   | Rajasthan         | 387.29  | 98.02  | 41.89  |
| 17.   | Tamil Nadu        | 438.91  | 0.00   | -5.07  |
| 18.   | Uttar Pradesh     | 2879.54 | 874.31 | 215.34 |
| 19.   | WBSEB             | 1389.36 | 18.17  | 76.09  |
| 20.   | DVB (DESU)        | 2861.26 | 502.93 | 167.30 |

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**Statement-III**

*Outstanding dues of the State Electricity Boards to Coal India*

As on 31-2-2001: provisional)  
(Rs. in crores)

| Name of SEBs | Disputed | Undisputed | Total  |
|--------------|----------|------------|--------|
| BSEB         | 92.15    | 189.47     | 281.62 |
| UPSEB        | 14.50    | 416.79     | 431.29 |
| PSEB         | 201.34   | 41.74      | 243.08 |
| TNEB         | 203.19   | 170.21     | 373.40 |
| HSEB         | 2.09     | 64.53      | 66.62  |
| RSEB         | 10.73    | 61.99      | 72.72  |
| MSEB         | 329.43   | 409.65     | 739.08 |
| MPEB         | 133.12   | 791.61     | 924.73 |
| GEB          | 0.51     | 676.78     | 677.29 |
| WBSEB        | 14.32    | 280.90     | 295.22 |
| WBPDC        | 118.93   | 656.24     | 775.17 |
| APEB         | 4.44     | 14.81      | 19.25  |
| ASEB         | 0        | -1.25      | -1.25  |

**Statement-IV**

*Outstanding dues of the State Electricity Boards to Railways*

(Rs. in crores)  
As on 12/2000

| Name of the State Electricity Boards | Amount |
|--------------------------------------|--------|
| 1. AP SEB                            | 31.98  |
| 2. Assam SEB                         | 2.81   |
| 3. Bihar SEB                         | 1.55   |
| 4. Delhi Vidyut Board                | 139.60 |
| 5. Gujarat SEB                       | 175.94 |
| 6. Haryana SEB                       | 74.42  |
| 7. Karnataka SEB                     | 1.71   |
| 8. Maharashtra SEB                   | 40.67  |
| 9. MP SEB                            | 8.09   |
| 10. Punjab SEB                       | 203.83 |
| 11. Rajasthan SEB                    | 62.38  |
| 12. Tamil Nadu SEB                   | 23.75  |
| 13. UP SEB                           | 15.43  |
| 14. WB SEB                           | 32.74  |